GAC012 Practical Business Decisions, Accounts and Research

GAC Business · Vocabulary in context

Word	Example
Stakeholders /ˈsteɪkhəʊldəz/	The shop asks its **stakeholders** about longer opening hours.
Price elasticity of demand /praɪs ɪlæˈstɪsɪti ɒv dɪˈmænd/	**Price elasticity of demand** shows how much sales fall after a price rise.
income statement /ˈɪŋkʌm ˈsteɪtmənt/	The **income statement** shows the year's profit.
balance sheet /ˈbæləns ʃiːt/	The **balance sheet** shows what the business owns and owes.
Gross profit /grəʊs ˈprɒfɪt/	**Gross profit** is sales revenue minus the cost of the goods sold.
Operating profit /ˈɒpəreɪtɪŋ ˈprɒfɪt/	Higher rent reduces **operating profit**.
asset /ˈæset/	A delivery van is an **asset**.
liability /ˌlaɪəˈbɪlɪti/	A bank loan is a **liability**.
Equity /ˈekwɪti/	**Equity** is assets minus liabilities.
margin of safety /ˈmɑːdʒɪn ɒv ˈseɪfti/	The **margin of safety** is how far sales can fall before the firm makes a loss.
Delegation /ˌdelɪˈgeɪʃn/	**Delegation** lets the team leader approve small purchases.

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autocratic style /ˌɔːtəʊˈkrætɪk staɪl/	With an **autocratic style**, the manager decides alone.
democratic style /ˌdemәˈkrætɪk staɪl/	A **democratic style** lets staff help choose the new timetable.
two-factor theory /tuː ˈfæktə ˈθɪəri/	Herzberg's **two-factor theory** separates things that motivate from things that only stop unhappiness.
Induction /ɪnˈdʌkʃn/	During **induction**, new staff learn how the shop works.

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